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REPORT OF THE INDUSTRIAL DEVELOPMENT BOARD ON THE WORK OF ITS TWENTY-FOURTH SESSION

(19-22 June 2001)

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Introduction

1. The report of the Industrial Development Board on the work of its twenty-fourth session is presented to the General Conference in accordance with Article 9.4 (c) of the Constitution. The summary records of the Board (IDB.24/SR.1-7), where the details of the proceedings are contained, form an integral part of the present report.

2. The following decisions of the Board, reproduced in annex I, are related to the work of the General Conference at its ninth session:

IDB.24/Dec.3	Financial situation of UNIDO—terms of payment for Ukraine
IDB.24/Dec.4	Programme and budgets, 2002-2003
IDB.24/Dec.5	Scale of assessments
IDB.24/Dec.6	Working Capital Fund
IDB.24/Dec.7	Financial regulations
IDB.24/Dec.8	Introduction of the euro
IDB.24/Dec.9	Appointment of external auditor
IDB.24/Dec.10	Personnel matters
IDB.24/Dec.13	Recommendation of a candidate for the post of Director-General
IDB.24/Dec.14	Terms and conditions of appointment of the Director-General
IDB.24/Dec.15	Preparations for the ninth session of the General Conference

I. ORGANIZATIONAL AND PROCEDURAL MATTERS

3. The twenty-fourth session of the Board was held at UNIDO Headquarters, Vienna International Centre, from 19 to 22 June 2001 (7 plenary meetings—see IDB.24/SR.1-7).

Participation

4. All 53 members of the Board were represented at the session: Algeria, Argentina, Austria, Belarus, Belgium, Bulgaria, Burkina Faso, Chile, China, Colombia, Côte d'Ivoire, Croatia, Cuba, Ecuador, Egypt, Ethiopia, France, Germany, Ghana, Guatemala, India, Indonesia, Iran (Islamic Republic of), Ireland, Italy, Japan, Kuwait, Lesotho, Libyan Arab Jamahiriya, Luxembourg, Madagascar, Mexico, Morocco, Nigeria, Norway, Pakistan, Peru, Poland, Portugal, Republic of Korea, Russian Federation, Saudi Arabia, Spain, Sri Lanka, Sudan, Sweden, Switzerland, Syrian Arab Republic, Thailand, Tunisia, Turkey, United Kingdom of Great Britain and Northern Ireland, Uruguay.

5. The following 37 Member States of UNIDO also participated in the session: Angola, Azerbaijan, Belize, Bolivia, Brazil, Burundi, Cameroon, Czech Republic, Democratic People's Republic of Korea, Denmark, Eritrea, Finland, Greece, Hungary, Iraq, Israel, Jordan, Kenya, Lebanon, Lithuania, Malaysia, Malta, Namibia, Netherlands, Nicaragua, Panama, Philippines, Romania, Senegal, Slovakia, South Africa, Ukraine, Venezuela, Viet Nam, Yemen, Yugoslavia, Zimbabwe.

6. The Holy See participated as observer.

7. The following United Nations bodies were represented: Economic Commission for Europe, United Nations—Joint Inspection Unit, United Nations Development Programme, United Nations Office at Vienna.

8. The International Atomic Energy Agency was represented.

9. The following other intergovernmental organizations were represented: Arab Industrial Development and Mining Organization, European Commission, International Centre for Genetic Engineering and Biotechnology, International Institute of Refrigeration, International Organization for Migration, League of Arab States, Organization of African Unity, Organization of the Islamic Conference.

10. The following non-governmental organizations were represented: Association of Former United Nations Industrial Development Experts, Austro-Egyptian Chamber of Commerce, DEULA—Nienburg, Institut supérieur de gestion, International Academy of Technology Sciences, International Confederation of Free Trade Unions, International Council of Women, International Technology Information Centre, Mountain Unlimited, Soroptimist International, TECHLINK, World Association for Small and Medium Enterprises.

Opening of the session

11. The twenty-fourth session of the Industrial Development Board was declared open by the President of the twenty-second and twenty-third sessions, Mr. A. Ortiz (Spain).

Officers of the session

12. In accordance with rule 23 of its rules of procedure, the Board elected by acclamation Mr. P. Hosseini (Islamic Republic of Iran) as President; Mr. A. Fabijanski (Poland), Mr. A. G. Abdel Rahman Hasan (Sudan) and Mr. F. Pittaluga Fonseca (Uruguay) as Vice-Presidents; and Mr. C. Janssens de Bisthoven (Belgium) as Rapporteur.

Agenda for the session

13. The Board adopted the following agenda:

1. Opening of the session.
2. Election of officers.
3. Adoption of the agenda.
4. Annual report of the Director-General for 2000 on the activities of the Organization.
5. Report of the Programme and Budget Committee.
6. Financing UNIDO programmes, including new initiatives for funds mobilization.
7. Environment-related activities.
8. Field representation.
9. Industrialization of the least developed countries.
10. Administrative matters.
11. Activities of the Joint Inspection Unit.
12. Matters related to intergovernmental, governmental, non-governmental and other organizations.
13. Recommendation of a candidate for the post of Director-General.
14. Preparations for the ninth session of the General Conference.
15. Provisional agenda and date of the twenty-fifth session.
16. Adoption of the report.
17. Closure of the session.

14. The Board adopted a proposal by the President to ensure the maximum utilization of available conference-servicing resources (see annex I, decision IDB.24/Dec.1; IDB.24/SR.1, paras. 9-10).

15. The Board decided to set up informal, in-session consultations with the aim of facilitating the drafting of decisions and entrusted Mr. F. Pittaluga Fonseca (Uruguay), Vice-President, to chair those consultations (see IDB.24/SR.2, paras. 1-2).

16. In accordance with appendix B of the rules of procedure, the following were appointed as tellers: Ms. M. Kunjundzic (Croatia), Mr. J. Kinnen (Germany) and Mr. B. Amin (Pakistan).

II. ANNUAL REPORT OF THE DIRECTOR-GENERAL FOR 2000 ON THE ACTIVITIES OF THE ORGANIZATION

17. The Board had before it the *Annual Report 2000*, including the programme performance report (IDB.24/2 and Corr.1 and IDB.24/2/Add.1) and a note by the Secretariat on Investment and Technology Promotion Offices (IDB.24/CRP.7). The debate on item 4 is reflected in summary record IDB.24/SR.2, paragraphs 4 to 55. At the suggestion of the President, the Board took note of the documentation provided by the Secretariat (see IDB.24/SR.7, paras. 4-5).

III. REPORT OF THE PROGRAMME AND BUDGET COMMITTEE

18. The Board had before it the report of the Programme and Budget Committee on the work of its seventeenth session (IDB.24/22). The debate on item 5 is reflected in summary records IDB.24/SR.2, paragraphs 56 to 76, and IDB.24/SR.3, paragraphs 1 to 2.

A. Interim financial performance report and programme performance report for the biennium 2000-2001

19. The Board had before it the interim financial performance report for the biennium 2000-2001 submitted by the Director-General (IDB.24/6), the *Annual Report 2000* (IDB.24/2 and Corr.1) and a list of technical cooperation activities (IDB.24/2/Add.1). At the proposal of the President, the Board took note of the documentation provided by the Secretariat (IDB.24/SR.7, paras. 7-8).

B. Financial situation of UNIDO, including arrears

20. The Board had before it a report by the Director-General on the financial situation of UNIDO, including arrears (IDB.24/8), a note by the Director-General on the terms of payment plan (IDB.24/25) and updated information on the financial situation (IDB.24/CRP.2). The Board considered two draft decisions submitted by the President (IDB.24/L.6, IDB.24/L.13) and adopted decision IDB.24/Dec.2 and, with an amendment (IDB.24/SR.7, paras. 11-21), adopted decision IDB.24/Dec.3 (see annex I).

C. Programme and budgets, 2002-2003

21. The Board had before it the proposals of the Director-General for the programme and budgets, 2002-2003 (IDB.24/3) and a note by the Director-General containing proposed changes to the programme framework (IDB.24/20). The Board considered a draft decision submitted by the President (IDB.24/L.2) and adopted decision IDB.24/Dec.4 (see annex I).

D. Scale of assessments for apportionment of the regular budget expenses

22. The Board had before it a note by the Secretariat on the scale of assessments for the fiscal period 2002-2003 (IDB.24/5). The Board considered a draft decision submitted by the President (IDB.24/L.12) and adopted decision IDB.24/Dec.5 (see annex I).

23. Mr. Pittaluga Fonseca, chairman of the informal consultations for draft decisions, reported that three main opinions had emerged for the scale of assessments that should be recommended to the General Conference:

(a) The European Union proposed a scale of assessments based on columns 3 and 4 in the annex to document IDB.24/5;

(b) The Group of 77 and China, with the support of the Republic of Korea, proposed a scale based on column 7 in the annex to document IDB.24/5;

(c) Japan proposed a scale based on columns 5 and 6 in the annex to document IDB.24/5.

E. Working Capital Fund for the biennium 2002-2003

24. The Board had before it the proposals by the Director-General on the Working Capital Fund for the biennium 2002-2003 (IDB.24/4). The Board considered a draft decision submitted by the President (IDB.24/L.3) and adopted decision IDB.24/Dec.6 (see annex I).

F. Financial regulations

25. The Board had before it the report of the Chairperson, H.E. Mrs. I. Freudenschuss-Reichl (Austria) of the Intersessional working group on proposed amendments to the financial regulations (IDB.24/11). The Board considered a draft decision submitted by the President (IDB.24/L.4) and, with an amendment (IDB.24/SR.7, paras. 28-30), adopted decision IDB.24/Dec.7 (see annex I).

G. Introduction of the euro

26. The Board had before it a note by the Secretariat on the introduction of the euro (IDB.24/10). The Board considered a draft decision submitted by the President (IDB.24/L.5) and adopted decision IDB.24/Dec.8 (see annex I).

H. Follow-up to the report of the External Auditor for the biennium 1998-1999

27. The Board had before it a report by the Director-General on implementation of measures recommended by the External Auditor (IDB.24/9). At the proposal of the President, the Board took note of the documentation provided by the Secretariat (IDB.24/SR.7, paras. 33-34).

I. Appointment of external auditor

28. The Board had before it a report by the Director-General on candidatures for the appointment of an external auditor (IDB.24/7 and Add.1). The Board considered a draft decision submitted by the President (IDB.24/L.11) and, with an amendment (IDB.24/SR.7, paras. 35-38), adopted decision IDB.24/Dec.9 (see annex I).

IV. FINANCING UNIDO PROGRAMMES, INCLUDING NEW INITIATIVES FOR FUNDS MOBILIZATION

29. The Board had before it a report by the Director-General on financing UNIDO programmes, including new initiatives for funds mobilization (IDB.24/19) and the *Annual Report 2000* (IDB.24/2, chap. V.E and appendix B) and a note by the Secretariat on the status of integrated programmes (IDB.24/CRP.6). The debate on item 6 is reflected in summary record IDB.24/SR.3, paragraphs 3 to 49. At the proposal of the President, the Board took note of the documentation provided by the Secretariat (IDB.24/SR.7, paras. 39-40).

V. ENVIRONMENT-RELATED ACTIVITIES

30. The Board had before it a report by the Director-General on environment-related activities (IDB.24/12). The debate on item 7 is reflected in summary record IDB.24/SR.3, paragraphs 50 to 76. At the proposal of the President, the Board took note of the documentation provided by the Secretariat (IDB.24/SR.7, paras. 39-40).

VI. FIELD REPRESENTATION

31. The Board had before it a progress report by the Director-General on field representation (IDB.24/15)

and a conference room paper on the current situation and future plans submitted in a note by the Director-General (IDB.24/CRP.5). The debate on item 8 is reflected in summary record IDB.24/SR.3, paragraphs 77 to 94. At the proposal of the President, the Board took note of the documentation provided by the Secretariat (IDB.24/SR.7, paras. 39-40).

VII. INDUSTRIALIZATION OF THE LEAST DEVELOPED COUNTRIES

32. The Board had before it a report by the Director-General on the industrialization of the least developed countries (IDB.24/16 and Add.1). The debate on item 9 is reflected in summary record IDB.24/SR.4, paragraphs 1 to 16. At the proposal of the President, the Board took note of the documentation provided by the Secretariat (IDB.24/SR.7, paras. 39-40).

VIII. ADMINISTRATIVE MATTERS

33. The Board had before it a report by the Director-General on personnel matters (IDB.24/13) and a list of staff submitted by the UNIDO Secretariat (IDB.24/CRP.4). The debate on item 10 is reflected in summary record IDB.24/SR.4, paragraphs 17 to 25. The Board considered a draft decision submitted by the President (IDB.24/L.7) and adopted decision IDB.24/Dec.10 (see annex I).

IX. ACTIVITIES OF THE JOINT INSPECTION UNIT

34. The Board had before it a report by the Secretariat on follow-up to Joint Inspection Unit recommendations (IDB.24/18). The debate on item 11 is reflected in summary record IDB.24/SR.4, paragraphs 26 to 30. The Board considered a draft decision submitted by the President (IDB.24/L.14) and adopted decision IDB.24/Dec.11 (see annex I).

X. MATTERS RELATED TO INTERGOVERNMENTAL, NON-GOVERNMENTAL, GOVERNMENTAL AND OTHER ORGANIZATIONS

35. The Board had before it a note by the Director-General containing applications from non-governmental organizations for consultative status (IDB.24/24 and Add.1). The debate on item 12 is reflected in summary record IDB.24/SR.6, paragraphs 31 to 32. The Board considered a draft decision submitted by the President (IDB.24/L.8) and adopted decision IDB.24/Dec.12 (see annex I).

XI. RECOMMENDATION OF A CANDIDATE FOR THE POST OF DIRECTOR-GENERAL

36. The Board had before it a note by the Secretariat containing a draft contract for appointment of the Director-General (IDB.24/14) and a note by the Secretariat containing candidates for the post of Director-General (IDB.24/17). The public debate on item 13 is reflected in summary record IDB.24/SR.5, paragraphs 1 to 12. The Board considered two draft decisions submitted by the President and adopted decisions IDB.24/Dec.13 and IDB.24/Dec.14 (see annex I).

XII. PREPARATIONS FOR THE NINTH SESSION OF THE GENERAL CONFERENCE

37. The Board had before it a report by the Director-General on preparations for the ninth session of the General Conference (IDB.24/21) and a note by the Director-General on the subject (IDB.24/CRP.8). The debate on item 14 is reflected in summary record IDB.24/SR.6, paragraphs 1 to 5. The Board considered a draft decision submitted by the President (IDB.24/L.9) and adopted decision IDB.24/Dec.15 (see annex I).

XIII. PROVISIONAL AGENDA AND DATE OF THE TWENTY-FIFTH SESSION

38. The Board had before it a conference room paper containing a note by the Director-General on the provisional agenda and date of the twenty-fifth session (IDB.24/CRP.3). The debate on item 15 is reflected in summary record IDB.24/SR.6, paragraphs 6 to 7. The Board considered a draft decision submitted by the President (IDB.24/L.10) and adopted decision IDB.24/Dec.16 (see annex I).

XIV. ADOPTION OF THE REPORT

39. The Board considered the draft report (IDB.24/L.1) and adopted it as a whole with the understanding that the Rapporteur would be entrusted with the task of finalizing the report (see summary record IDB.24/SR.7, paras. 51-53).

XV. CLOSURE OF THE TWENTY-FOURTH SESSION

40. On 22 June 2001, at 5.35 p.m., the Board closed its twenty-fourth session (see IDB.24/SR.7, paras. 54-67).

Annex I

DECISIONS ADOPTED BY THE BOARD AT ITS TWENTY-FOURTH SESSION

Decision No.	Title	Page
IDB.24/Dec.1	Utilization of available conference-servicing resources (IDB.24/SR.1, paras. 9-10)	8
IDB.24/Dec.2	Financial situation of UNIDO (IDB.24/SR.7, paras. 9-10)	8
IDB.24/Dec.3	Financial situation of UNIDO—terms of payment plan for Ukraine (IDB.24/SR.7, paras. 11-21)	8
IDB.24/Dec.4	Programme and budgets, 2002-2003 (IDB.24/SR.7, paras. 22-23)	8
IDB.24/Dec.5	Scale of assessments for Member States (IDB.24/SR.7, paras. 24-25)	8
IDB.24/Dec.6	Working Capital Fund (IDB.24/SR.7, paras. 26-27)	9
IDB.24/Dec.7	Financial regulations (IDB.24/SR.7, paras. 28-30)	9
IDB.24/Dec.8	Introduction of the euro (IDB.24/SR.7, paras. 31-32)	9
IDB.24/Dec.9	Appointment of external auditor (IDB.24/SR.7, paras. 35-38)	9
IDB.24/Dec.10	Personnel matters (IDB.24/SR.7, paras. 41-42)	9
IDB.24/Dec.11	Activities of the Joint Inspection Unit (IDB.24/SR.7, paras. 43-44)	10
IDB.24/Dec.12	Applications from non-governmental organizations for consultative status (IDB.24/SR.7, paras. 45-46)	10
IDB.24/Dec.13	Recommendation of a candidate for the post of Director-General (IDB.24/SR.5, paras. 3-4)	10
IDB.24/Dec.14	Terms and conditions of appointment of the Director-General (IDB.24/SR.5, paras. 5-6)	10
IDB.24/Dec.15	Preparations for the ninth session of the General Conference (IDB.24/SR.7, paras. 47-48)	12
IDB.24/Dec.16	Provisional agenda and date of the twenty-fifth session (IDB.24/SR.7, paras. 49-50)	13

IDB.24/Dec.1 UTILIZATION OF AVAILABLE CONFERENCE-SERVICING RESOURCES

The Industrial Development Board, with the aim of utilizing the available conference-servicing resources to the maximum possible effect, decided to suspend with immediate effect rule 32 of its rules of procedure relating to the quorum, for the meetings of its twenty-fourth session only and provided no substantive decisions were taken at those meetings.

1st plenary meeting
19 June 2001

IDB.24/Dec.2 FINANCIAL SITUATION OF UNIDO

The Industrial Development Board:

(a) Took note of the information provided in document IDB.24/8;

(b) Given the worrying level of arrears of assessed contributions to UNIDO, urged those Member States and former Member States that had not yet paid their assessed contributions, including advances to the Working Capital Fund and prior years' arrears, to do so without delay.

7th plenary meeting
22 June 2001

IDB.24/Dec.3 FINANCIAL SITUATION OF UNIDO—TERMS OF PAYMENT PLAN FOR UKRAINE

The Industrial Development Board:

(a) Recalled its decision IDB.19/Dec.5;

(b) Also recalled the report of the open-ended discussion group on timely payment of assessed contributions (IDB.19/12 and Corr.1), in particular paragraphs 13 and 14;

(c) Welcomed the interest of Ukraine to settle its arrears (IDB.24/25, annex);

(d) Noted the special circumstances faced by Ukraine and the large amount owed for the period 1994 to 2001;

(e) Requested the Director-General to negotiate an agreement with Ukraine for a payment plan, bearing in mind the capacity of Ukraine to settle its arrears, as contained in document IDB.24/25, and to submit the plan for decision to the ninth session of the General Conference;

(f) Noted that the payment plan, which was subject to the timely payment of arrears, should be as close as possible to a five-year period but not exceed a term of 15 years.

7th plenary meeting
22 June 2001

IDB.24/Dec.4 PROGRAMME AND BUDGETS, 2002-2003

The Industrial Development Board:

(a) Adopted for submission to the General Conference for consideration and approval the programme and budgets for the biennium 2002-2003 as contained in document IDB.24/3;

(b) Recommended to the General Conference the approval of estimates of gross expenditures of €137,922,300 to be financed from assessed contributions in the amount of €133,689,800* and other income of €4,232,500;

(c) Also recommended to the General Conference the approval of estimates of gross expenditures totalling €22,372,600 for the purpose of the operational budget for the biennium 2002-2003 to be financed from voluntary contributions in the amount of €21,998,000 and other income amounting to €374,600 as may be provided for in the financial regulations.

7th plenary meeting
22 June 2001

IDB.24/Dec.5 SCALE OF ASSESSMENTS FOR MEMBER STATES

The Industrial Development Board:

(a) Considered document IDB.24/5 on the scale of assessments for apportionment of the regular budget expenses;

(b) Was not able to achieve consensus, three different opinions having emerged on the issue, as reflected in paragraph 23 of the report of the session;

(c) Recommended that the General Conference establish a scale of assessments for fiscal

* One member reserved its position on this figure.

period 2002-2003, taking into account the aforementioned opinions.

7th plenary meeting
22 June 2001

IDB.24/Dec.6 WORKING CAPITAL FUND

The Industrial Development Board:

(a) Took note of document IDB.24/4;

(b) Recommended to the General Conference that the level of the Working Capital Fund and the authorized purposes of the Fund for the 2002-2003 biennium remain the same as for the 2000-2001 biennium;

(c) Urged Member States to pay their outstanding assessed contributions as soon as possible to minimize the need to withdraw sums to meet shortfalls in the payment of assessed contributions.

7th plenary meeting
22 June 2001

IDB.24/Dec.7 FINANCIAL REGULATIONS

The Industrial Development Board:

(a) Took note of the report of the Intersessional working group on proposed amendments to the financial regulations, as contained in document IDB.24/11;

(b) Recommended to the General Conference the simultaneous creation of a special account for certain activities under Buildings Management Services and a special account for the Regular Programme of Technical Cooperation that would not be subject to financial regulations 4.2(b) and 4.2(c), it being understood that the Secretariat would strive to utilize to the fullest extent possible the funds budgeted for each biennium;

(c) Requested the Director-General, at the end of each biennium, to submit to the General Conference, through the Industrial Development Board, a report on the status and balance of the accounts as well as the External Auditor's reports on those accounts, and the planned allocation of the unexpended resources in those special accounts;

(d) Decided to extend the mandate of the Intersessional working group, under the chairmanship of Austria, to submit proposed amendments to the financial regulations to the Programme and Budget Committee.

7th plenary meeting
22 June 2001

IDB.24/Dec.8 INTRODUCTION OF THE EURO

The Industrial Development Board:

(a) Took note of the information provided by the Secretariat in document IDB.24/10 on the introduction of the euro;

(b) Recommended that the General Conference take note that all assets, liabilities, reserves and fund balances that are in Austrian schillings will be converted into euros by applying the fixed rate of ATS 13.7603 = €1;

(c) Also recommended that the Conference note that the Director-General will continue to keep extrabudgetary accounts in United States dollars, if required, but will convert all such assets, liabilities, reserves and fund balances for the purposes of the financial statements at the United Nations euro/dollar exchange rate in effect on the date of the statement;

(d) Recommended that the General Conference decide to convert all dollar-based amounts of the assets, liabilities, reserves and fund balances of the General Fund, Working Capital Fund and other headquarters funds as at 31 December 2001, using the December 2001 United Nations euro/dollar exchange rate.

7th plenary meeting
22 June 2001

IDB.24/Dec.9 APPOINTMENT OF EXTERNAL AUDITOR

The Industrial Development Board:

(a) Took note of the information provided in documents IDB.24/7 and Add.1;

(b) Also took note of Programme and Budget Committee conclusion 2001/8;

(c) Acknowledged that consultations were continuing with a view to the General Conference being in a position to appoint an external auditor for UNIDO for a period of two years beginning on 1 July 2002, under the terms of reference specified in the Financial Regulations of UNIDO.

7th plenary meeting
22 June 2001

IDB.24/Dec.10 PERSONNEL MATTERS

The Industrial Development Board:

(a) Took note of the information contained in document IDB.24/13;

(b) Noted the amendments made in pursuance of staff regulation 13.3 to schedule I and annexes I and II to the staff regulations in order to bring them into conformity with the decisions of the General Assembly set out in resolution 55/223;

(c) Also noted the amendments to staff rule 103.12, appendices A, C, E and G to the staff rules;

(d) Recommended to the General Conference the following candidates for the election of two members and two alternate members of the UNIDO Staff Pension Committee for the biennium 2002-2003:

Members: Mr. Yuji Amamiya (Japan)
Mr. Constancio R. Vingno, Jr. (Philippines)

Alternate Members: Mr. Mlulani M. L. Singaphi (South Africa)
..... (country)

7th plenary meeting
22 June 2001

IDB.24/Dec.11 ACTIVITIES OF THE JOINT INSPECTION UNIT

The Industrial Development Board:

(a) Recalled decision IDB.22/Dec.7;

(b) Took note of the information provided by the Secretariat in document IDB.24/18;

(c) Endorsed the establishment of the pilot scheme of follow-up to the approved recommendations of the Joint Inspection Unit through policy-making organs, as outlined in document IDB.24/18.

7th plenary meeting
22 June 2001

IDB.24/Dec.12 APPLICATIONS FROM NON-GOVERNMENTAL ORGANIZATIONS FOR CONSULTATIVE STATUS

The Industrial Development Board:

(a) Took note of the information provided in documents IDB.24/24 and Add.1;

(b) Decided, in accordance with Article 19.1 (b) of the Constitution and the guidelines for the relationship of UNIDO with intergovernmental, governmental, non-governmental and other organizations (General Conference decision GC.1/Dec.41, annex, para. 17) to grant consultative status with UNIDO to the following four non-governmental organizations:

- AIESEC International
- Austro-Arab Chamber of Commerce
- International Association ZNANIE
- International Energy Foundation (IEF).

7th plenary meeting
22 June 2001

IDB.24/Dec.13 RECOMMENDATION OF A CANDIDATE FOR THE POST OF DIRECTOR-GENERAL

The Industrial Development Board, acting in accordance with Article 11.2 of the Constitution, decided to recommend to the General Conference the appointment of Mr. Carlos Magariños as Director-General of UNIDO for a period of four years from 8 December 2001 or until the Director-General appointed at the eleventh regular session of the General Conference assumes office, whichever is later.

6th plenary meeting
21 June 2001

IDB.24/Dec.14 TERMS AND CONDITIONS OF APPOINTMENT OF THE DIRECTOR-GENERAL

The Industrial Development Board, further to its decision IDB.24/Dec.13, and acting in accordance with rule 103 of the rules of procedure of the General Conference, decided to recommend to the Conference for approval the draft contract annexed to the present draft decision, which establishes the terms and conditions of appointment of the Director-General, including the salary and emoluments attached to the office.

6th plenary meeting
21 June 2001

Annex

DRAFT CONTRACT FOR APPOINTMENT OF THE DIRECTOR-GENERAL

THIS CONTRACT is made

between the United Nations Industrial Development Organization (hereinafter called the Organization) for the one part

and Carlos Magariños (hereinafter called the Director-General) for the other part.

WHEREAS

The Director-General, upon recommendation of the Board, has been duly appointed by the Conference at its ninth session held in December 2001.

IT IS HEREBY AGREED AS FOLLOWS:

1. Term of Office

The Director-General shall be appointed for a period of four years from the eighth day of December two thousand one (2001), or until the Director-General to be appointed at the eleventh regular session of the General Conference assumes office, whichever is later.

2. Official Duty Station

The official duty station for the Director-General shall be Vienna, Austria.

3. Official Duties

In accordance with Article 11 of the Constitution of the Organization, the Director-General shall be the chief administrative officer of the Organization.

4. Privileges and Immunities

The Director-General shall enjoy all the privileges and immunities in keeping with his/her office as determined by the Constitution of the Organization, Article 21, and any relevant legal instruments already in force or to be concluded in the future.

5. Staff Regulations

The Director-General shall be subject to the Staff Regulations of the Organization, together with such amendments as may be made thereto, in so far as they are applicable to him/her.

6. Assessable Salary and Allowances

(a) The annual gross salary of the Director-General shall be US dollars two hundred and five thousand three hundred and nine (205,309), corresponding to an annual net base salary equivalent to US dollars one hundred and thirty-seven thousand four hundred and ninety-two (137,492) (dependency rate) or US dollars one hundred and twenty-two thousand two hundred and sixty-eight (122,268) (single rate) respectively. The gross and net base salary shall be adjusted whenever the General Assembly decides to adjust the gross and net base salary levels of staff in the Professional and higher categories;

(b) He/She shall receive post adjustment, allowances and benefits, including social security benefits, for which a staff member in the Professional category of the UNIDO Secretariat would be eligible under the Staff Regulations and Staff Rules of the Organization, provided the purpose of such emolument, allowance or benefit has not already been met by other provisions of the present contract;

(c) The Director-General shall receive a representation allowance of Austrian schillings three hundred and sixty-one thousand two hundred (361,200) per annum; as of 1 January 2002, euros twenty-six thousand two hundred and forty-nine (26,249) per annum, adjusted for the budgeted annual inflation rate, to meet his/her share of the obligations which the Organization incurs in the form of representation and hospitality expenditure;

(d) He/She shall receive a housing allowance amounting to Austrian schillings six hundred and eleven thousand four hundred and sixty (611,460) per annum; as of 1 January 2002, euros forty-four thousand four hundred and thirty-seven (44,437) per annum adjusted for the budgeted annual inflation rate;

(e) The above salary, allowances and benefits to which the Director-General is entitled under this agreement shall be subject to adjustment by the Board, after consultations with the Director-General, to keep them in line with those of the executive heads of other specialized agencies within the common system of the United Nations.

7. Pension Arrangements[1]

Alternative A

The Director-General shall participate in the United Nations Joint Staff Pension Fund in accordance with the provisions of decision IDB.10/Dec.17 (d) of the Industrial Development Board. His/Her pensionable remuneration shall be determined and adjusted in accordance with the provisions of articles 54 (c) and (b) of the regulations and rules of the United Nations Joint Staff Pension Fund.

Alternative B

The Director-General shall not participate in the United Nations Joint Staff Pension Fund. Instead, he/she shall have an amount equal to 15.8 per cent of pensionable remuneration, corresponding to the Organization's contribution to the Pension Fund, paid as a supplement

[1] Alternative A will be included in the contract if the elected Director-General becomes a participant in the United Nations Joint Staff Pension Fund. Alternative B will be applicable if he/she does not become a participant.

to his/her remuneration, in lieu of participation in the Pension Fund, in accordance with General Assembly resolution 47/203.

8. Currency of Payments

Payments will be effected in the currency applicable to staff in the Professional and higher categories serving at the official duty station Vienna, Austria.

9. Notice of Resignation

The Director-General may at any time give three months' notice of resignation in writing to the Board, which is authorized to accept his/her resignation on behalf of the General Conference, in which case, upon expiration of such period of notice, he/she shall cease to be Director-General of the Organization and this contract shall terminate.

10. Entry into Force

This contract shall enter into force as of the eighth day of December 2001.

SIGNED this ..... day of ..... 2001 at Vienna.

(.....) (.....)

President of the Conference acting on behalf of the Organization — Director-General

IDB.24/Dec.15 PREPARATIONS FOR THE NINTH SESSION OF THE GENERAL CONFERENCE

The Industrial Development Board:

(a) Took note of the information provided in document IDB.24/21;

(b) Adopted the following provisional agenda for the ninth session of the General Conference:

1. Opening of the session.
2. Election of officers.
3. Adoption of the agenda.
4. Organization of work.
5. Credentials of representatives to the Conference.
6. Elections to organs:
   (a) Industrial Development Board;
   (b) Programme and Budget Committee.
7. Annual reports of the Director-General on the activities of the Organization for 1999 and 2000.
8. Reports of the Industrial Development Board on the work of its twenty-second, twenty-third and twenty-fourth regular sessions.
9. Industrial development forum.
10. Financial matters:
    (a) Scale of assessments of Member States;
    (b) Financial situation of UNIDO;
    (c) Working Capital Fund;
    (d) Financial regulations;
    (e) Introduction of the euro;
    (f) Appointment of an external auditor.
11. Medium-term programme framework, 2002-2005.
12. Programme and budgets, 2002-2003.
13. The regional dimension.
14. International Centre for Science and High Technology.
15. Participation by UNIDO in the Vienna Convention on the Law of Treaties between States and International Organizations or between International Organizations of 21 March 1986.
16. UNIDO Staff Pension Committee.
17. Matters related to intergovernmental, non-governmental, governmental and other organizations.
18. Appointment of the Director-General.
19. Date and place of the tenth session.
20. Closure of the session.

(c) Agreed to hold a forum within the framework of the General Conference (provisional agenda item 9);

(d) Recommended to the Conference that items 7 to 17 of the provisional agenda be allocated to a main committee of the Conference;

(e) Recommended that, in the light of experience gained in the preparation of previous sessions of the Conference, the President of the twenty-fourth session of the Industrial Development Board conduct informal consultations for the preparation of the ninth session of the Conference.

7th plenary meeting
22 June 2001

IDB.24/Dec.16 PROVISIONAL AGENDA AND DATE OF THE TWENTY-FIFTH SESSION

The Industrial Development Board:

(a) Took note of the information contained in document IDB.24/CRP.3;

(b) Decided to adopt the following provisional agenda for its twenty-fifth session:

1. Election of officers.
2. Adoption of the agenda.
3. Annual report of the Director-General on the activities of the Organization in 2001.
4. Financial situation of UNIDO.
5. Investment and Technology Promotion Offices.
6. Joint Inspection Unit activities relevant to UNIDO.
7. Matters related to intergovernmental, non-governmental, governmental and other organizations.
8. Provisional agenda and date of the twenty-sixth session.

(c) Decided to hold its twenty-fifth session from 15 to 16 May 2002.

7th plenary meeting
22 June 2001

Annex II

DOCUMENTS SUBMITTED TO THE BOARD AT ITS TWENTY-FOURTH SESSION

Symbol	Agenda item	Title
IDB.24/1	3	Provisional agenda
IDB.24/1/Add.1	3	Annotated provisional agenda
IDB.24/2 and Corr.1	4	*Annual Report of UNIDO 2000.* Interim programme performance report for the biennium 2000-2001.
IDB.24/2/Add.1	4	*Annual Report of UNIDO 2000.* Interim programme performance report for the biennium 2000-2001. List of technical cooperation activities.
IDB.24/3	5	Programme and budgets, 2002-2003. Proposals by the Director-General
IDB.24/4	5	Working Capital Fund for the biennium 2002-2003. Proposals by the Director-General
IDB.24/5	5	Scale of assessments for the fiscal period 2002-2003. Note by the Secretariat
IDB.24/6 and Corr.1	5	Interim financial performance report for the biennium 2000-2001. Submitted by the Director-General
IDB.24/7 and Add.1	5	Candidatures for the appointment of an External Auditor. Report by the Director-General
IDB.24/8	5	Financial situation, including arrears. Report by the Director-General
IDB.24/9	5	Implementation of measures recommended by the External Auditor. Report by the Director-General
IDB.24/10	5	Introduction of the euro. Note by the Secretariat
IDB.24/11	5	Report by the Chairperson of the Intersessional working group on proposed amendments to the financial regulations, H.E. Mrs. Irene Freudenschuss-Reichl (Austria)
IDB.24/12	7	Environment-related activities. Report by the Director-General
IDB.24/13	10	Personnel matters. Report by the Director-General
IDB.24/14	13	Draft contract for appointment of the Director-General. Note by the Secretariat
IDB.24/15	8	Field representation. Progress report by the Director-General
IDB.24/16 and Add.1	9	Industrialization of the least developed countries. Report by the Director-General
IDB.24/17	13	Candidates for the post of Director-General. Note by the Secretariat
IDB.24/18	11	Follow-up to Joint Inspection Unit recommendations. Report by the Secretariat
IDB.24/19	6	Financing UNIDO programmes, including new initiatives for funds mobilization. Report by the Director-General
IDB.24/20	5	Programme framework. Report by the Director-General

Symbol	Agenda item	Title
IDB.24/21	14	Preparations for the ninth session of the General Conference. Report by the Director-General
IDB.24/22	5	Report of the Programme and Budget Committee on the work of its seventeenth session
IDB.24/23	-	List of States included in Annex I to the Constitution of UNIDO. Note by the Secretariat
IDB.24/24 and Add.1	12	Applications from non-governmental organizations for consultative status. Note by the Director-General
IDB.24/25	5	Financial situation of UNIDO. Terms of payment plan. Note by the Director-General
IDB.24/CRP.1	3	List of documents
IDB.24/CRP.2	5	Updated information on the financial situation of UNIDO
IDB.24/CRP.3	15	Provisional agenda and date of the twenty-fifth session. Note by the Director-General
IDB.24/CRP.4	10	List of staff of the UNIDO Secretariat. Submitted by the Secretariat
IDB.24/CRP.5	8	Field representation. Current situation and future plans. Note by the Director-General
IDB.24/CRP.6	6	Status of integrated programmes. Note by the Secretariat
IDB.24/CRP.7	4	Investment and Technology Promotion Offices. Note by the Secretariat
IDB.24/CRP.8	14	Preparations for the ninth session of the General Conference. Note by the Director-General
IDB.24/CRP.9	-	List of participants